

1 A I got the letter but I didn't get the checklist.

2 Q With respect to the August 25, 1997, letter, is
3 this letter that at any time you brought to the attention of
4 your daughter, Barbara?

5 A If I brought this to her attention? I don't
6 recall, sir. I don't recall.

7 Q The second full paragraph of a letter states,
8 "You are to submit a report on all actions taken
9 to bring your stations into compliance with 10 days of the
10 receipt of this letter at the address provided in the
11 letterhead."

12 Do you recall whether or not Family Broadcasting,
13 Inc. did that?

14 A Well, what we did, sir, I do recall making sure,
15 make possible, all the requirements that were needed as much
16 as possible. We were operating the FM from the same place
17 as the AM. However, again, I said I never did receive the
18 checklist from him to determine what he needed done, and
19 that's why we --

20 Q Right, but my question is a little bit different
21 then that. The letter indicates that what Mr. Jusino wanted
22 you to do was to submit a report within 10 days of the
23 receipt of the August 25, 1997, letter. It doesn't have
24 anything to do with the checklist at this point that you may
25 or may not have received.

1 A And that's why I called his office, sir.

2 Q You called?

3 A I called.

4 Q You called Mr. Jusino's office?

5 A An office in Puerto Rico. Yes, sir.

6 Q Okay. You called Mr. Jusino's office instead of
7 submitting the report?

8 A I did not submit any report.

9 Q That's, okay, that was what I was trying to get
10 at. I didn't know whether you did or you didn't, and so I
11 was asking.

12 A I thought you said I could keep that.

13 Q Oh, did you want to? You can.

14 A No. If you have to go with it that's all right.

15 Q No, no. It was simply, I wanted you to have it --

16 A Okay.

17 Q -- while I was asking you about it.

18 A Oh, all right.

19 Q If you want to keep it, I've got multiple copies.

20 A Well, that's what you said.

21 Q If you want to keep it, you can keep it.

22 A Keep it.

23 Q Never look a gift horse from the FCC in the mouth.

24 I'm going to show you a document that bears a date of

25 December 8, 1997, actually it's two documents that are

1 stapled together. One pertains to WSTX-AM and the other
2 pertains to WSTX-FM.

3 A Thanks.

4 Q And, yes, you can keep this one. Did you look at
5 it?

6 A Okay. I just want to point out to you that it is
7 true this was given to me and I did not answer. I'm at
8 fault.

9 Q Okay. You are anticipating a question that I
10 didn't even ask and probably wasn't going to ask, but be
11 that as it may. With respect to the official notice of
12 violation for WSTX-AM that references the date of
13 December 8, 1997, do you know whether or not you showed --

14 MR. HUBER: Go ahead. I can hear.

15 BY MR. SHOOK:

16 Q -- the official notice of violation to your
17 daughter, Barbara?

18 A Yes. This I received. She did turn this over to
19 me.

20 Q Did you and she discuss this document at all?

21 A No. If she gave me a document my attitude is you
22 give me something I'll take it, I'll go and read it, and
23 then I'll see if we made an -- We did not answer. We
24 didn't do anything on this, sir.

25 Q As of December 8, 1997, what role, if any, did

1 Barbara have at the radio station?

2 A At the radio station? She was just coming and
3 helping at the radio station.

4 Q Did she have any official role such as manager of
5 any kind.

6 A Yes. Well, she was the manager of the station,
7 but now since I have turned over everything to her she is, I
8 said.

9 Q Again, you're sometimes anticipating the question
10 that I may or may not ask.

11 A Okay.

12 Q As of December of 1997, was she a manager at the
13 station?

14 A She was there assisting at the station. Yes. She
15 was the manager because I was not at the station.

16 Q Did you delegate to her any responsibility
17 whatsoever to deal with the violation that appeared in this
18 notice of violation?

19 A No, I did not. I did not do that.

20 Q Did you direct her to --

21 A Financially --

22 Q -- fix or repair any of the matters that are
23 noted. Such as, if we go to number three on page 1.

24 A Yes.

25 Q It makes reference to on December 4 an agent

1 appeared --

2 A And come from --

3 Q -- and it was a follow-up to a visit that had
4 occurred on August 19, 1997, and it claims that during the
5 inspection an EAS operating handbook was not available. Do
6 you know whether or not you asked Barbara to find or prepare
7 an EAS operating handbook?

8 A No, we did not have the -- There's a book that we
9 have that anyone can come to the radio station and open and
10 go through. I admit, we did not have it at that time, but
11 we got it afterward.

12 Q You got it afterward?

13 A Yes, sir.

14 Q And how did that come to pass?

15 A Okay. What I had to do was to get all the
16 communications that I received from FCC and put them in a
17 book and, as a matter of fact, I came to Washington.

18 Q I think you may be confusing the EAS operating
19 handbook with the public file.

20 A The public file is what I'm talking about.

21 Q Okay. All I'm talking about right now is the EAS
22 operating handbook.

23 A Will you direct me as to what that is?

24 Q Okay. Under number three.

25 A No. I know. I got it from -- What's the EAS

1 stand for?

2 Q Okay. Emergency something System.

3 MR. COLBY: Emergency --

4 Q The name may have even changed now, so.

5 MR. COLBY: The handbook is the handbook for the
6 operation of the Emergency Alert System. With there secret
7 code which you have to have when you, or had to have in
8 those days, in order to activate an alarm.

9 A We have it. We do have it.

10 MR. COLBY: It's not required anymore so you can't
11 have it now, but at that time.

12 THE WITNESS: We have it, sir.

13 MR. SHOOK: No. Okay.

14 THE WITNESS: It's right there. All I'm saying is
15 we have it.

16 BY MR. SHOOK:

17 Q Okay. Now the question that I'm asking though --

18 A Let me go a bit farther.

19 Q -- what steps were taken in order to acquire it.

20 A We had the Emergency System in the event of a
21 hurricane or the like.

22 Q Right.

23 A We had that handbook here and it was there and I
24 remember the fellow from Puerto Rico came up there, and my
25 daughter took him in the back and showed him that it was

1 operating. Oh, I didn't know you had it here.

2 Q Again, this may be an apples and oranges or two
3 ships in the night situation. I just want to make sure that
4 we're clear on this.

5 A Yes, sir.

6 Q The allegation, if you will, in the notice of
7 violation is that when the inspector came to the station on
8 December 4, 1997, he did not find, or he did not see, the
9 EAS operating handbook. Your testimony indicates that at
10 some point after that the station had --

11 A Yes.

12 Q -- an EAS operating handbook. In fact, your
13 testimony suggests that the handbook may have even been
14 there --

15 A Been there, right.

16 Q -- at the time the inspector came. Now just to
17 clarify, was the handbook there on December 4, 1997?

18 A Sir, I will take the liberty to say, yes, because
19 the same, Mr. Jusino, when he came there my daughter took
20 him in the back and showed him the equipment that we
21 purchased and throws out the paper like emergency and things
22 we've got, a number of things, and she turned and he said,
23 Oh, my God, I didn't know you had it here. He was
24 surprised.

25 Q Okay. Let me tell you that it is conceivable that

1 what you're thinking of is a subsequent inspection because
2 there was a subsequent inspection. If you don't remember
3 whether or not on --

4 A Okay.

5 Q -- December 4, 1997, the station had any EAS
6 operating handbook, that's fine. If your memory is that the
7 station had it --

8 A Sir, I am saying we had from the time we got word
9 from FCC about getting the necessary equipment in the event
10 for an emergency we got everything. It was placed there.
11 It is still there up to now.

12 Q Now with respect to the second item that starts at
13 the bottom of page 1 and carries over to page 2, just read
14 that to yourself for a second.

15 A That goes back to the first items I give you.

16 Q That as far as your recollection is that there was
17 EAS equipment there and that it was operating.

18 A Yes, sir. I took an oath and I'm here to tell the
19 truth.

20 Q If that's what you remember, that's fine.

21 MR. COLBY: In 1997 or --

22 THE WITNESS: What?

23 MR. COLBY: In 1997?

24 THE WITNESS: Yes, sir.

25 //

1 BY MR. SHOOK:

2 Q Now in terms of the next bullet --

3 A Which one?

4 Q -- on page 2. It says the main antenna element
5 did not have adequate fencing to protect and prevent the
6 public from accessing the radiator, and now --

7 A Sir.

8 Q -- what this was referring to -- Just let me
9 finish. What this is referring to is December 4, 1997, and
10 so the question is, to your recollection is that charge or
11 is that violation accurate.

12 A Sir, I took exception to the gentleman, Mr.
13 Jusino, himself about this. From the time that we purchased
14 the radio station in 1990, I assembled a fence around the
15 entire area. It is fenced in. It has been fenced in.

16 Q Has there ever been a time when there was an
17 opening in that fence?

18 A No, sir.

19 Q Okay. Let me remind you of something that you may
20 have forgotten, and I'm speaking from memory so if I mis-
21 state you, you can correct me. I understand that there was
22 a submission from Family Broadcasting, Inc. to the extent
23 that there was some kind of picnic that got out of hand and
24 there was a fire that started and as a consequence of the
25 fire, the fire department came and knocked down a portion of

1 the fence.

2 A May I explain that to you

3 Q Certainly.

4 A There was a fire there at the radio station which
5 began down below, and we're up on a hill, and the fire came
6 all the way up there. The fire truck came and hit the fence
7 down. It's chain link fence that we have around the area.
8 The posts are all big large posts about this big.

9 Q Wooden posts?

10 A Wooden posts, telephone posts or electrical posts
11 because I got it from Water and Power Authority, and those
12 were planted and they are painted white and they are around
13 there. The portion of the fence that was torn down, we
14 replaced that fence afterward, after the fire.

15 Q Good. So, in other words, as far as you're
16 concerned on December 4, 1997, if the inspector claimed that
17 the main antenna element did not have adequate fencing you
18 would dispute that?

19 A I'd dispute that.

20 Q What about the next bullet?

21 A Where it begins, "During the inspection?"

22 Q No, sir. The one previous to that.

23 A "The main element?"

24 Q Correct.

25 A I would say he's correct there.

1 Q Now with respect to the final bullet during the
2 inspection, et cetera. You can just read that to yourself.

3 A Where are you?

4 Q On page 2.

5 A "During the inspection."

6 Q Right. You can just read that to yourself.

7 A That's correct.

8 Q Now with respect to the two bullets that you
9 indicated that the inspector has accurately, did you discuss
10 corrections with your daughter?

11 A Yes. Well, the first thing here is we are making
12 arrangement to get an antenna for the AM because we got
13 permission from FCC to use a line antenna.

14 Q Okay.

15 A We got permission for that, and we have one, but
16 we're waiting. I told my family since this is the hurricane
17 season, as an example, no need to try to get the antenna now
18 because we don't know if a hurricane will come or go. Every
19 Sunday I'm there on the radio praying against hurricanes.

20 Q I think that may be a little bit different from
21 what I'm getting at. Now you have to recall that we're
22 talking about here is an inspection that occurred in
23 December of 1997. So that's almost five years ago now.

24 A But we had a line antenna at that time, sir.

25 MR. COLBY: I think his question to you Luz is

1 whether or not Barbara played any role in attempting to
2 correct these violations. Did you give her any instructions
3 or did you discuss with her the question of whether or not a
4 need to respond to this notice or correct any of the
5 violations in the notice?

6 THE WITNESS: No, I did not, sir.

7 BY MR. SHOOK:

8 Q Thank you. Let's move to the notice of violation
9 that pertained to WSTX-FM which is later on in the same
10 document that you have. Now the first two bullets are
11 basically repeats of what appeared for the AM and I'm not
12 going to go over that ground again. So if you would please
13 turn to the next page. If you could read to yourself the
14 bullet that starts with "During the inspection, you admitted
15 to continued low power operation." Just read that to
16 yourself.

17 A I've read it.

18 Q Was the violation that is claimed to have been
19 observed in this notice of violation accurate or inaccurate
20 so far as you can recall?

21 A I would say at his inspection it was accurate when
22 he appeared.

23 Q Did you discuss this apparent violation or notice
24 of violation with your daughter, Barbara?

25 A I don't recall.

1 Q Did you delegate to her any responsibility for
2 fixing the problem that is noted in the bullet that we just
3 looked at?

4 A I would say that since we have turned everything
5 over to her from 2001 she has been getting all of these
6 different things corrected.

7 Q Okay. My focus though is what happened back in
8 1997 and early 1998.

9 A In 1997, she was there working with me at the
10 radio station, but not doing the work that she is now doing.

11 Q So in late 1997 or early 1998 would it be your
12 recollection that she did or did not receive responsibility
13 from you to --

14 A No. She received the responsibility, well --

15 Q Let me finish the question then. In late 1997 or
16 early 1998, did Barbara have the responsibility to make the
17 repairs that are noted here?

18 A No, she did not. She did not.

19 Q She did not. Now with respect to the --

20 A But she has it now.

21 Q Okay. With respect to the last bullet. Again,
22 you can read that to your self.

23 A I'll be honest with you I read this twice, and it
24 says here that the FM transmitter was found to be co-located
25 with the AM antenna site at North 17 45 23 West 64 41 38.

1 The FM transmitter is supposed to be located at 17 45 20
2 West 64 47 55, as per your station authorization. I would
3 like to point out to you, sir, that where the FM, the AM
4 station antenna is, the FM station antenna is down to the
5 other building.

6 Q I understand that that's the situation currently.
7 What this is focusing on is what was the case in December of
8 1997.

9 A In December of 1997, it was where it is today.

10 Q Okay. I believe that's what this document is
11 saying. What this document is also saying is that the
12 agent's understanding of what Family was authorized to do
13 was that the FM antenna was supposed to be some place else.

14 A And it has always been some place else. That's
15 all I'm saying.

16 MR. COLBY: Let's try me. Let me try to
17 straighten this out. Was there a time --

18 THE WITNESS: That's why when you spoke about
19 these people from Puerto Rico I smiled, right?

20 MR. SHOOK: Yes, you did.

21 THE WITNESS: And you want to know why.

22 MR. SHOOK: Okay. Well at any, but --

23 MR. COLBY: Let me try to straighten this out
24 because I want to get home, we all --

25 THE WITNESS: I want to get home too.

1 MR. COLBY: So let's try and straighten this out.
2 Was there a time when FM -- Where was the FM transmitter
3 located when you bought them, the FM transmitter?

4 THE WITNESS: The FM transmitter first was located
5 at Blue Mountain.

6 MR. COLBY: Blue Mountain. Okay.

7 THE WITNESS: Hold a minute now.

8 MR. COLBY: Okay.

9 THE WITNESS: We went before the Judge in
10 northwest section when you all were up here on the --
11 Before you moved to southwest. Okay? And I got permission
12 to relocate from the Blue Mountain to the same location
13 where the telephone, where the present location of the radio
14 station is.

15 We got permission to install it. We have a hill
16 where our tower is and we put another tower that was blown
17 down, we put that up at the building where we broadcast from
18 and that is where our FM has always been from the time we
19 relocated it has always, and I swear from here to God it has
20 never been changed. So these people are not telling the
21 truth.

22 MR. COLBY: Luz, let me try and go through this
23 just one more time. When you bought the FM station the
24 transmitter was located at Blue Mountain, correct?

25 THE WITNESS: That's correct.

1 MR. COLBY: Did you ever apply for a construction
2 permit to put it anywhere else?

3 THE WITNESS: We did not get a construction
4 permit, sir, we got permission from the Court, the Judge
5 authorized us.

6 MR. COLBY: You mean Judge Luton?

7 THE WITNESS: Yes, he authorized us to relocate
8 our transmitter from the Blue Mountain to the Fort Louise
9 Augusta. We put it on the house.

10 BY MR. SHOOK:

11 Q Just so you understand something.

12 A Yes, sir.

13 Q The FCC's records, such as they are, don't reflect
14 that. All it reflects is that the Judge granted Family's
15 renewal application for WSTX-FM. There's no indication in
16 the Judge --

17 A Sir --

18 Q Let me just talk a second.

19 A One minute, one minute. When the Judge granted us
20 permission to do that I filed an application to FCC to have
21 the unit, for permission to get the unit there. I did not
22 go through the engineer as I should have done.

23 Q Okay. Well, so there may be some glitch in terms
24 of --

25 A Okay. That's it.

1 Q -- an application that you believe Family made and
2 what the FCC records reflect, so. I think we've
3 straightened that out about as much as we're going to at
4 this point.

5 A Okay. Thank you.

6 MR. COLBY: Make sure you understand right there
7 is the case.

8 MR. SHOOK: I think I do.

9 MR. COLBY: Which I think you are --

10 MR. SHOOK: Picking up on finally.

11 MR. COLBY: -- bent on demonstrating. Yes.

12 MR. SHOOK: Now look it's neither here nor there
13 to me how it comes out if the reflect records that some
14 thing should happen that you want, so be it.

15 MR. COLBY: May I ask him some questions about
16 that Ownership Report? I want to straighten out how that
17 was done.

18 MR. SHOOK: Sure. I'm just, I'm really just about
19 finished here.

20 MR. COLBY: The reporter's giving me a look that
21 certain like look that kind of leaves you white, that gave
22 somebody in the White House the other day, a look that could
23 kill. Did you see that picture in the paper?

24 MR. SHOOK: Why don't we go off the record for a
25 second?

1 (Discussion held off the record.)

2 BY MR. SHOOK:

3 Q Mr. James, I want to show you a document that
4 bears a title of Site Lease Agreement. It's eight pages in
5 length and on the eighth page there some signatures, and if
6 you would please after -- I don't really think you need to
7 study the document. I think if you glance through it that
8 will suffice. My question to you is, can you identify any
9 of the signatures that appear on the last page?

10 A The first one that I can identify is my own
11 signature here and the second one is my wife's signature.

12 Q And do you know any of the other signatures that
13 appear?

14 A Okay. Carol Hunter works in the flower shop,
15 Valencia Mills, also.

16 Q What flower shop is that?

17 A Family Broadcast, Family -- We have Family
18 Broadcasting, we have Family Florists, which is a flower
19 shop.

20 Q And where is that located?

21 A At 6A La Grande Princess.

22 Q And that is owned by yourself and your wife?

23 A Yes, sir, it was, but we turned it over to my son
24 who owns 6AA La Grande Princess, which is a funeral home.
25 My son is a funeral director.

1 Q It was a gift?

2 A Yes.

3 Q When was that gift made?

4 A We turned that flower shop over to him, oh, God, I
5 think it was about 1998 or 1999.

6 Q He was Lieutenant Governor at that point?

7 A He became the Lieutenant Governor in 1999.

8 Q 1999. At that point was he a Senator?

9 A He was a Senator before.

10 Q Right, but I mean he was Senator up to the point
11 when he became Lieutenant Governor?

12 A No, no.

13 Q There was a gap?

14 A There was a gap in between. I was a Senator, too,
15 and my father was a Senator. So it runs in the family, and
16 my brother whose deceased was a Senator. He was a Senator
17 for three terms.

18 Q Could you briefly explain what the document
19 represents?

20 A This is March 21st? March of 2001?

21 Q Right.

22 A This is the lease agreement between I mentioned
23 property and procurement.

24 Q Right.

25 A This is it.

1 Q So this is the agreement that requires Family --

2 A No.

3 Q -- to pay a certain amount of money each month?

4 A This -- Yes, this is, and I paid on \$400 on this
5 already and we can have many -- This is with reference to
6 Recovery Hill where we're going to put the FM antenna, and
7 we're waiting for the FCC to make the decision.

8 Q Yes.

9 MR. COLBY: May I state for the record. The FCC
10 has granted that construction permit.

11 MR. SHOOK: That's fine.

12 MR. COLBY: But I'm still having a problem with
13 the FAA.

14 MR. SHOOK: Okay.

15 MR. COLBY: Now I would take the position as a
16 matter of law that we can go ahead and build and tell the
17 FAA that we'll go ahead and build, but as a matter of
18 practicality I don't like to simply disregard an agency
19 that's supposedly operating in terms of public safety. So I
20 attempting to work with the FAA people. I think if push
21 comes to shove I don't believe there's any hazard there in
22 navigation and I would recommend --

23 THE WITNESS: There is none.

24 MR. COLBY: -- that if it becomes necessary to
25 decline and simply go forward and construct pursuant to the

1 point.

2 THE WITNESS: And as I mentioned to that --

3 MR. SHOOK: And with respect --

4 THE WITNESS: Oh.

5 MR. SHOOK: Go ahead.

6 THE WITNESS: I'm sorry. As I mentioned, remember
7 I mentioned earlier that the same area, Recovery Hill.

8 MR. SHOOK: Right.

9 THE WITNESS: Is flooded with a lot of antennas.

10 MR. SHOOK: Right, right.

11 THE WITNESS: A lot of towers are right there now.

12 MR. SHOOK: Right.

13 THE WITNESS: By this fellow Prosser.

14 MR. COLBY: Mr. James, I think I better advise you
15 before we go too far forward. You have a construction
16 permit that permits you to build at a specific place on
17 Recovery Hill.

18 THE WITNESS: Yes.

19 MR. COLBY: You can't build anywhere else unless
20 we file another application for new construction.

21 THE WITNESS: I follow that already.

22 MR. COLBY: All right.

23 THE WITNESS: But I'm saying we can't even go
24 there as yet until the FAA tell us that we can do it.

25 MR. COLBY: That's a murky situation.

1 THE WITNESS: Well, you should know best. I don't
2 know, sir.

3 BY MR. SHOOK:

4 Q And in terms of the rent that's indicated here is
5 \$100 a month.

6 A Yes, and I already paid them \$400 in advance.

7 Q And do you know whether or not any other payments
8 have been made relative to this lease?

9 A No other payment has been made until we put the
10 equipment there, and they should not even have accepted my
11 money until the first equipment has been constructed. Do I
12 make myself clear?

13 Q You do.

14 A Thank you, sir, and again, I would like to
15 conclude if you're through with me I just --

16 Q Almost. Famous last words.

17 A Okay. Go ahead. You seem to be tired there. I
18 hope I didn't tire you out. I give my apology.

19 Q I'm fine.

20 A Okay.

21 Q Those, as I said, those famous words that ever
22 deponent loves to hear, no further questions.

23 MR. COLBY: Now I want to try to straighten out
24 this business of the ownership if I may. Now I need to see
25 the Ownership Report that Barbara prepared in my office.

1 MR. SHOOK: Okay.

2 EXAMINATION BY COUNSEL FOR FAMILY BROADCASTING

3 BY MR. COLBY:

4 Q Before I get to even looking at the report, do you
5 remember, Luz, a time when you told me for the first time
6 that some 42 people had purchased shares in Family
7 Broadcasting, Inc. other than your family members?

8 A Yes, I recall.

9 Q Try to remember this conversation if you can. Now
10 as I recall you told me that there was 42 of these minority
11 shareholders. That they had a total of a certain number of
12 shares. I can't remember what it was now. Do you remember
13 what the total number of shares was that they had? I know
14 you told me in the conversation.

15 A I don't recall.

16 Q Okay. I know you told me at the time, and that
17 these shares represented a 7 percent interest. Do you
18 recall that?

19 A I would say I did say 10 percent.

20 Q You said 10 percent?

21 A I think I said 10 percent.

22 MR. COLBY: No further questions.

23 MR. SHOOK: Mr. James, you have always been up
24 until this point, but you are even more so a free man
25 because I have no questions, Mr. Colby has no questions, and

1 that means that as far as this deposition is concerned --

2 MR. COLBY: Let me do it.

3 MR. SHOOK: Whoops.

4 MR. COLBY: Let me ask this --

5 MR. SHOOK: I thought you were, I'm sorry.

6 THE WITNESS: Well, wait are you going to do my
7 wife now or what? So I can go and we can --

8 BY MR. COLBY:

9 Q Let me try and straighten this out, Luz.

10 A Wait a minute now. Wait a minute. So that I will
11 know what to do. It is true we're here because she came
12 with me because she had to be here to testify. Okay?
13 Again, I'm saying my wife has had no connection with the
14 radio station to delegate no authority or anything. She's
15 always at the house at home and whatever is said she follows
16 the line.

17 Q Well, what is it you want, Luz?

18 A I would like for her to come here rather than
19 having to come back tomorrow.

20 Q All right. Well, let's get her down here, but in
21 the meanwhile --

22 A Get her here so she can say --

23 MR. COLBY: Dan, why don't you go up and get her?
24 I'll finish trying to straighten --

25 THE WITNESS: -- that she has nothing to do with

1 the radio station.

2 MR. SHOOK: You want to try and go on and do it?

3 MR. COLBY: We might as well.

4 MR. SHOOK: We might as well get started. I mean
5 it's a quarter to five.

6 MR. COLBY: Well, let's try.

7 MR. SHOOK: Think you can get her?

8 MR. COLBY: Yes.

9 MALE VOICE: Okay. Now does anybody else want any
10 of this coffee. Nobody is drinking it.

11 MR. SHOOK: Actually, I was going to have a cup
12 along with a cookie.

13 THE WITNESS: I don't drink coffee, sir.

14 BY MR. COLBY:

15 Q Luz, let me try to get something straight here.

16 When you sold interests to these third parties, people
17 outside your family, did you ever intend to give up control?

18 A To give up control? No, sir.

19 Q By control did you mean that you intended, you
20 Luz, to always have more than 51 percent of the stock?

21 A I will have the majority of stock.

22 Q Yes. So when you sold these shares to these
23 outsiders whether it was your intention that it would be
24 that the shares sold would represent 7 percent or 10 percent
25 certainly you didn't intend that enough shares would be sold

1 that you would be deprived of control?

2 A No.

3 Q You were still going to own a majority of stock,
4 correct?

5 A My family would own the majority of stock.

6 Q What about you personally? Would you be in
7 control too?

8 A Well, since in my family I control my family.
9 Okay?

10 Q All right. Very well.

11 A So that's how it is.

12 Q Now under Virgin Islands law is it necessary to
13 issue stock certificates?

14 A Yes. If stocks are sold for a corporation you
15 have to issue a stock certificate.

16 Q But if you have a closed corporation composed of
17 family members do you have to have stock certificates?

18 A Not necessarily.

19 Q Aye, and did you, in fact, ever issue any stock
20 certificates to you yourself?

21 A No, sir.

22 Q Did you ever issue any stock certificates to Asta?

23 A No, I did not.

24 Q Did you ever issue any stock certificates to
25 Barbara?

1 A No, I did not.

2 Q Now you did sell some shares to Luz, Junior --

3 A My son.

4 Q -- correct?

5 A Yes.

6 Q Did you issue him a stock certificate?

7 A If his name appears on the list, yes, he was.

8 Q Okay.

9 A For what he had purchased there.

10 Q Now you say that it was your intention to sell 10
11 percent to these external parties, is that correct?

12 A That's correct, sir.

13 Q All right. Now listen carefully to the following
14 question, it's very important. The shares that went to Luz
15 were they part of that 10 percent or were they over and
16 above that 10 percent?

17 A It was a part of the 10 percent, sir.

18 Q It was what?

19 A A part of the 10 percent.

20 MR. COLBY: Okay. No further questions.

21 (Whereupon, at 4:43 p.m., the deposition in the
22 above-entitled matter was concluded.)

23 //

24 //

25 //

1 I have read the foregoing pages 1 through 176, and
2 they are a true and accurate record of my
3 testimony therein recorded, and any changes and/or
4 corrections appear on the attached errata sheet
5 signed by me.

6 _____
7 GERARD LUZ A. JAMES
8

9 Subscribed and sworn to before me
10 this ____ day of _____, 2002.

11 _____
12 Notary Public

13 My Commission expires: _____
14
15
16
17
18
19
20
21
22
23
24
25

JURISDICTION: Federal Communications Commission

Before me, the undersigned authority, personally appeared Gerard Luz A. James, who, after being duly sworn states that he has read the foregoing deposition transcript, and states that he wishes to make the following changes or corrections to this transcript for the following reasons:

PAGE	LINE	CHANGE	REASON FOR CHANGE
------	------	--------	-------------------

The witness states that the deposition transcript, pages 1 through 176, is otherwise true and accurate.

GERARD LUZ A. JAMES

Subscribed and sworn to before me on
the _____ day of _____, 2002.

Notary Public

My Commission Expires: _____

CERTIFICATE OF COURT REPORTER/NOTARY PUBLIC

I, Beth Roots, the officer before whom the foregoing testimony was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me and thereafter reduced to typewriting; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto; nor am I financially or otherwise interested in the outcome of the action.

Beth M. Roots

Court Reporter/Notary Public

My Commission Expires: 1/1/2005